

REMARKS

Claims 1, 4-6, 25, and 32 have been amended. Claim 33 has been added as a new claim. Support for the amendments and new claim can be found throughout the specification and claims as originally filed. Upon entry of the amendments, claims 1-7, 25-26, and 30-33 will be pending. Reconsideration and allowance of currently pending claims 1-7, 25-26, and 30-33 are requested in view of the following remarks.

Claim Objections

In the Office Action, claims 1, 25, and 32 have been objected to because of informalities. Applicants have amended the claims to overcome the Examiner's objections.

Rejections under 35 U.S.C. §112

In the Office Action, claims 1, 2, 4-7, 25, and 32 have been rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which the Applicants regard as the invention. More particularly, regarding claims 1, 2, 25, and 32, the Examiner stated that "it is not clear who is performing the steps of the method." Applicants submit that the rejection is improper and incorrect. The steps are performed by the party that executes the steps. The steps of the present application are perfectly clear. Applicants are not required to limit the steps of the present application to a particular party. In the interest of expedited prosecution, amendments have been

made to claims 1, 2, 25, and 32. Applicants respectfully submit that claims 1, 2, 25, and 32 have been amended to clarify that a financier is performing the steps of the method.

Additionally, the Office Action rejected claim 4 for failing “to further limit the parent claim.” Applicants respectfully submit that a termination step has been added to claim 4 to alleviate the Examiner’s concerns. Finally, the Office Action rejected claims 5, 7, and 32 for using “both ‘term’ and ‘terms’ which render the claims indefinite.” Applicants submit that claims 1, 5, and 32 have been amended and claim 33 added to eliminate the Examiner’s concerns.

Rejections under 35 U.S.C. §102

In the Office Action, claims 1, 3, 25, 26, 30, and 31 have been rejected under 35 U.S.C. §102(e) as being anticipated by Hoffman (U.S. Pat. No. 6,253,191). Applicants respectfully traverse these rejections based on the amendments and the following remarks.

The Office Action fails to show that the claims, as amended, are anticipated. “A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). Applicants respectfully submit that Hoffman does not anticipate claims 1, 3, 25, 26, 30, and 31, after the amendments made herein, for at least the reason that Hoffman fails to disclose, teach, or suggest “[a] method of financing by a financier an asset management firm by obtaining a revenue share interest in the asset management firm, and excluding the financier from an ownership interest during a predetermined period of time of the revenue share interest, and excluding debt.”

Hoffman discloses:

A Brownfields investment vehicle, and a system and method for investing in Brownfields-related projects are provided that are capable of supporting all aspects of a Brownfields remediation/development/redevelopment project, while shielding investors from environmental liability.

See Hoffman at Abstract. Hoffman invests in real-estate related projects (i.e., Brownfields) not in asset management firms.

Claim 1, as amended, recites the following language, among other elements:

A method of financing by a financier an asset management firm by obtaining a revenue share interest in the asset management firm, and excluding the financier from an ownership interest during a predetermined period of time of the revenue share interest, and excluding debt, the method comprising:

negotiating terms for obtaining a revenue share interest in the asset management firm,

providing financing by the financier to the asset management firm,

receiving a revenue share interest for the predetermined period of time, wherein the revenue share interest is a predefined share of the revenue of the asset management firm,

wherein, no ownership interest in the asset management firm is received during the predetermined period of time of the revenue share interest, and no debt is used.

The Office Action asserts that “Hoffman discloses a system and method for investing in a project.” See Office Action at pg. 5. More particularly, the Office Action cites col. 5, lines 29-35 and col. 11, lines 54-57 to stand for “terms for obtaining a revenue share interest in the asset management firm.” See *Id.* Column 5, lines 29-35 of Hoffman discloses:

For example, the BVC 112 may set forth terms and conditions such as: i) the amount of capital to be provided to a special purpose vehicle, such capital may be provided in a lump sum, or in installments; ii) details of an interest in future cashflows provided to the Brownfields fund by the special purpose vehicle, iii) performance requirements of a project, iv) reporting requirements, etc.

Column 11, lines 54-57 of Hoffman discloses:

Additionally, each investor may be paid (either electronically or otherwise) a respective share of the total cash flow (i.e., a return on investment) in accordance with the terms of the Investor's Investment Contract.

Hoffman does not disclose, teach, or suggest "negotiating terms for obtaining a revenue share interest in the asset management firm." As discussed above Hoffman relates to real estate development investments not investing in asset management firms.

In addition, the Office Action cites col. 5, lines 19-22, 30-32 of Hoffman to stand for "providing financing to the asset management firm." See Office Action at pg. 5. Column 5, lines 19-24 of Hoffman discloses:

The Brownfields fund 100 makes, for example, non-recourse, participating capital investments or "Brownfields Value Contracts" ("BVC") 112 to a number of "special purpose vehicles" 110, for specific Brownfields projects 120 according to fund investment criteria determined by a "fund manager" 115.

Hoffman does not disclose, teach, or suggest "providing financing to the asset management firm." As disclosed in col. 5, lines 19-24 of Hoffman, the Brownfields fund makes investments for specific Brownfields projects. These Brownfields projects are real estate development investments, not asset management firms. Hoffman teaches away from the present invention in that there is a fund manager in Hoffman, but the fund manager of Hoffman is not the entity

which is receiving the financing. As disclosed in claim 2 of the present invention, the method provides for “providing financing by the financier to the asset management firm.”

Additionally, the Office Action cites col. 5, lines 33-34 and col. 11, lines 3-10 of Hoffman to stand for “receiving a predefined share of revenue of the asset management firm for a predetermined period of time.” See Office Action at pg. 5. Column 11, lines 3-10 discloses:

According to the example embodiment of the present invention, each special purpose vehicle 110 is required under the terms of, for example, the Brownfields Value Contract with the Brownfields fund 100, to pay to the Brownfields fund 100 a certain share of the special purpose vehicle’s (future) cash flow. Thus, a cash flow to the Brownfields fund 100 is generated once the special purpose vehicle’s cash flow is realized.

Hoffman does not disclose, teach, or suggest “receiving a revenue share interest for the predetermined period of time, wherein the revenue share interest is a predefined share of the revenue of the asset management firm.” (emphasis added). Hoffman teaches where the special purpose vehicle is required to pay a certain share of the special purpose vehicle’s (future) cash flow, whereas the present application discloses “receiving a revenue share interest..., wherein the revenue share interest is a predefined share of the revenue of the asset management firm.” The cash flow of Hoffman is a net concept which is different from the revenue of the present application which is a top line or gross receipts concept, not a net concept.

In addition, the Office Action cites col. 5, line 64 through col. 6, line 8 of Hoffman to stand for “wherein, no ownership interest in the asset management firm is received during the term of the revenue share interest, and no debt is used.” Column 5, line 64 through column 6, line 8 of Hoffman discloses:

In accordance with the present invention, the risk of environmental remediation liability for the investors 105 is greatly reduced since the investors 105 are completely passive with respect to the ownership and operations of the Brownfields. The investors 105, for example, have no ownership interest in the Brownfields, and, thus have no obligations of environmental remediation. Instead, upon providing a BVC to a special purpose vehicle 110 for a particular Brownfields project 120, the Brownfields fund 100 may acquire a financial interest in future cash flows from the Brownfields project.

Hoffman does not disclose, teach or suggest “wherein, no ownership interest in the asset management firm is received during the term of the revenue share interest, and no debt is used.”

In Hoffman, avoiding environmental liability is accomplished by investing in intermediate special purpose vehicles and sealing off the potential liability that way (i.e., no direct investment). In the present application, avoiding ownership is accomplished by not purchasing equity, but the present invention does invest directly in the underlying entity. In Hoffman, ownership avoidance has to do with avoiding owners’ liability or lender liability by having no direct contractual relations with the underlying environmentally tainted asset (i.e., the Brownfield site). This is not the case of the direct investment of the present application.

Finally, the Office Action cites Hoffman as disclosing the features of claim 26. In particular, the Office states that “Hoffman teaches the business is a special purpose vehicle, which provides funding (financial service) to Brownfields projects, and therefore is considered a financial services firm.” *See* Office Action at pg. 7. Claim 26 recites in part:

The method in claim 25, wherein the business is one of an asset management firm, or any other financial services firm.

Applicants respectfully submit that neither the special purpose vehicle nor the Brownfield projects are financial service firms. Hoffman does not disclose financing the special purpose

vehicle, but rather financing the Brownfield project. The Brownfield project, as the recipient of the financing, is not a financing firm simply because it is receiving financing. Applicants respectfully submit that Hoffman does not disclose “wherein the business is one of an asset management firm, or any other financial services firm.”

Applicants submit that, for at least the above reasons, claims 1 and 26 are not anticipated by Hoffman. For reasons analogous to the last two arguments for claim 1, claim 25 is also not anticipated by Hoffman. Applicants further submit that claims 2-7, 26, and 30-31 are not anticipated by Hoffman by virtue of their dependence from claims 1 and 25, and on their own merits.

Rejections under 35 U.S.C. §103

In the Office Action, claim 4 has been rejected under 35 U.S.C. §103(a) as being unpatentable over Hoffman. Claim 2 has been rejected under 35 U.S.C. §103(a) as being unpatentable over Hoffman in view of Adams (U.S. Pat. No 6,154,730). Claims 5-7 have been rejected under 35 U.S.C. §103(a) as being unpatentable over Hoffman in view of Oyama (U.S. Pub. No. 2006/0149562). Claim 32 has been rejected under 35 U.S.C. §103(a) as being unpatentable in view of a proposed combination of Hoffman, Oyama, and Adams.

As detailed above, Hoffman does not disclose, teach, or suggest all of the features of independent claims 1 and 25, and neither Oyama, Adams, nor the combination of Oyama and Adams remedies the defects of Hoffman. Therefore, claims 2 and 4-7 are not obvious in view of the cited references. *See* MPEP § 2143.03 (“If an independent claim is nonobvious under 35 U.S.C. 103, then any claim depending therefrom is nonobvious.” *In re Fine*, 837 F.2d 1071, 5

USPQ2d 1596 (Fed. Cir. 1988)). Additionally, claim 32 is based upon claim 1, and as detailed above, claim 1 is not anticipated by Hoffman, and neither Oyama, Adams, nor the combination of Oyama and Adams remedies the defects of Hoffman. Applicants respectfully submit that claim 32 is not obvious in view of the cited references.

Applicants respectfully request reconsideration and withdrawal of the obviousness rejections set forth in the Office Action.

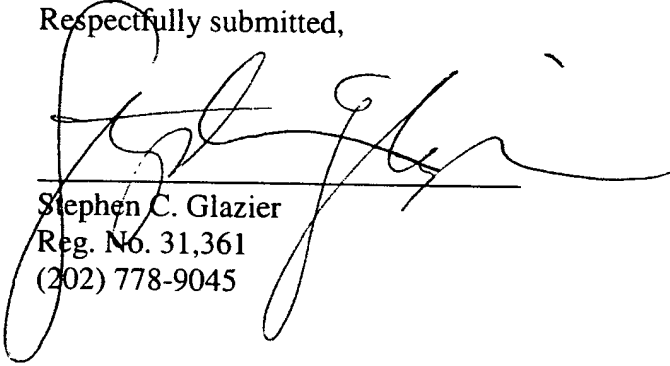
Miscellaneous

Applicants submit that the dependent claims pending herein are allowable at least by virtue of their dependency on independent claims which, as applicants describe above, are patentable over the cited references. Applicants reserve the right, however, to make supplemental arguments as may be necessary, because the dependent claims of the present application include additional features that further distinguish the claims from the cited references. A detailed discussion of these distinctions is believed to be unnecessary at this time in view of the fundamental distinctions already set forth in the above remarks.

SUMMARY

Applicants submit that the present application is in condition for allowance and requests favorable action in the form of a Notice of Allowance. Should the Examiner believe that this application is in condition for disposition other than allowance, however, the Examiner is invited to contact the undersigned by telephone to address the Examiner's concerns.

Respectfully submitted,



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